

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

ALLERGAN, INC.,

Plaintiff,

v.

TEVA PHARMACEUTICALS USA, INC.,  
AKORN, INC., MYLAN PHARMACEUTICALS  
INC., and MYLAN INC.,

Defendants.

Civil Action No. 2:15-cv-1455-WCB

(Consolidated) LEAD CASE

JURY TRIAL DEMANDED

**FILED UNDER SEAL**

**DEFENDANTS' SURREPLY TO ALLERGAN'S MOTION TO STRIKE CERTAIN  
PRIOR ART IN THE EXPERT REPORT OF ANDREW CALMAN, M.D.**

Allergan misses the point of Defendants’ Opposition—the Disputed References<sup>1</sup> are not used as §§102 or 103 art, meaning Dr. Calman *does not* rely on these references for Defendants’ affirmative case of obviousness or anticipation. Rather, these references *rebut* Allergan’s affirmative positions on secondary considerations of nonobviousness. Allergan has made no legal showing that Defendants are prohibited from using publicly available sources in this manner because it cannot. Dr. Calman’s use of the Disputed References is in line with the Local Patent Rules and this District’s rulings.

# **I. THE DISPUTED REFERENCES ARE NOT USED AS §§ 102 OR 103 ART**

Defendants are permitted to use the Disputed References to rebut Allergan’s positions regarding secondary considerations of nonobviousness. Yet, Allergan endeavors to undercut Defendants’ rebuttal with a misaimed motion to strike that attempts to paint the Disputed References as “undisclosed” or “unselected” references that serve as a basis for “Defendants’ obviousness position.” Doc. No. 354 (“Reply”) at 2. Allergan is wrong.

*First*, Dr. Calman does not affirmatively rely on the Disputed References in any obviousness combination supporting his invalidity opinion, nor does he assert them as anticipatory. Therefore *Monarch Knitting* and *Medtronic* apply here. *Monarch Knitting Mach. Corp. v. Sulzer Morat GmbH*, 139 F.3d 877, 883-84 (Fed. Cir. 1998) (disclosures that may not qualify as §§102 or 103(a) art and/or teach away may be relevant to the question of obviousness as a secondary consideration, *e.g.*, unexpected results, long-felt, but unmet need, and skepticism); *Medtronic Vascular Inc. v. Abbott Cardiovascular Sys., Inc.*, 614 F. Supp.2d 1006, 1028-29 (N.D. Cal. 2009) (“[E]ven if the references are not admissible as prior art, they are

---

<sup>1</sup> “Disputed References” refers to the sum of references listed in footnotes 1 and 2 of Allergan’s Reply.

nonetheless admissible as evidence of both the ordinary level of skill in the art, and as a secondary consideration relating to obviousness.”); *see also Ziilabs Inc., Ltd. v. Samsung Elecs. Co. Ltd.*, No. 2:14-cv-203-JRG-RSP, 2015 WL 7303352, at \*2 (E.D. Tex. Aug. 25, 2015) (allowing reliance on undisclosed art to describe background material, state of the art, and what a person of ordinary skill would know at the time of invention); *ThinkOptics, Inc. v. Nintendo of Am., Inc.*, No. 6:11-cv-455, 2013 WL 5934471, at \*1 n.1 (E.D. Tex. Sept. 11, 2013) (explicitly noting that references not used for invalidating purposes may be used for other purposes, including “the level of ordinary skill in the art, background of the technology at issue, or a motivation to combine references”). Defendants do not use the Disputed References as *invalidating prior art* to make a showing of obviousness, and tellingly, Allergan does not contend the Disputed References serve as the basis for obviousness combinations or anticipatory art. Accordingly, Dr. Calman’s use of these references is permissible and there is no basis for Allergan’s motion.

*Second*, Allergan’s case law references, *LML Patent Corp.* and *Tyco*, are inapposite. Allergan fails to acknowledge that *LML Patent Corp.* and *Tyco* concern last-minute disclosures of prior art references intended to obviate or anticipate asserted claims. *See LML Patent Corp. v. JPMorgan Chase & Co.*, No. 2:08-cv-448, 2011 WL 5158285, at \*7 (E.D. Tex. Aug. 11, 2011) (striking “twenty-eight new obviousness combinations”); *Tyco Healthcare Grp. LP v. Applied Med. Res. Corp.*, No. 9:06-cv-151, 2009 WL 5842062, at \*3 (E.D. Tex. Mar. 30, 2009) (striking expert testimony regarding defendant’s last-minute disclosure of new obviousness combinations). This is not the case here because the Disputed References are not §§102 or 103 references, nor does Dr. Calman offer any new obviousness combinations or anticipatory references. Thus, *LML Patent Corp.* and *Tyco* do not provide any basis for Allergan’s motion.

*Third*, Allergan again ignores that the Disputed References are actually offered to rebut *unexpected results*. While Allergan alleges that the Disputed References are offered to show a “motivation to increase the amount of castor oil,” Allergan is wrong to argue that the Court should not consider the Disputed References to rebut Allergan’s secondary considerations arguments. *See* Reply at 2 n.3, 3 n.4. As Defendants noted in their Opposition (Doc. No. 347, “Opp.”), Allergan asserts that “there was no reason for a person of skill in the art to double the amount of castor oil disclosed in the prior art formulations” because increasing the amount of castor oil allegedly produced unexpected results. Opp. at 2; *see also e.g.*, Doc. No. 347-2 at 7-10. Therefore, to the extent any Disputed Reference addresses castor oil amounts (*see* Opp. at 4-5), it is to rebut Allergan’s assertion of unexpected results.

*Fourth*, Defendants need not have selected or disclosed the Disputed References in their invalidity contentions to use them to rebut Allergan’s allegations of secondary considerations. Indeed, secondary considerations are a part of the obviousness *analysis*, but not Defendants’ affirmative obviousness case. L.P.R. 3-3 does *not* require that parties disclose references intended to rebut secondary considerations: “‘Invalidity Contentions’ . . . must contain the following information: (a) The identity of each item of prior art that allegedly anticipates each asserted claim or renders it obvious. . . .” *See also id.* (further citing §§ 102(b), 102(f), 102(g), and 112); *accord Pozen Inc. v. Par Pharm., Inc.*, No. 6:08-cv-437-LED-JDL, 2010 WL 11431483, at \*8 (E.D. Tex. June 8, 2010) (“Patent Rule 3-3 does not discuss or otherwise require that an expert’s assessment of the background technology be charted and disclosed in its invalidity contentions unless those references are relied upon for the express purpose of invalidating the patents-in-suit.”). Therefore, Dr. Calman’s reliance on the Disputed References is well within the bounds of the Local Patent Rules and this District’s precedent.

## II. THERE IS NO PREJUDICE TO ALLERGAN

Allergan attempts to concoct some sort of prejudice, but there is none. Allergan admits that four of the Disputed References were disclosed in Defendants’ invalidity contentions. Reply at 1 and n.2. The remaining six references are of no surprise to Allergan; they address secondary considerations Allergan asserted in interrogatory responses served *after* Defendants served their first amended invalidity contentions.<sup>2</sup> As to the remaining few references, these background references were disclosed in Dr. Calman’s report, served March 28, 2017. Thus, Allergan has had the “opportunity to adequately defend against these references at trial.” *Pozen*, 2010 WL 11431483, at \*5. For example, Allergan has had ample time to review these references and submit rebuttal expert reports regarding the same. *Id.* Further, Allergan’s counsel has had the opportunity to cross examine Dr. Calman as to all Disputed References. Allergan does not dispute that it has had the opportunity to review these references, nor does it dispute that it asserted, *inter alia*, the secondary considerations of nonobviousness of unexpected results and long-felt but unmet need. *See* Reply. Thus, the Disputed References—which are not asserted as invalidating prior art—present no prejudice or surprise to Allergan.

Nor does including these references amount to a “waste of time and resources,” as Allergan suggests.<sup>3</sup> *Id.* at 4. As stated above, these Disputed References are relevant to

---

<sup>2</sup> When Defendants served their initial invalidity contentions, Defendants did not know which, if any, secondary considerations Allergan would proffer. *See* P.R. 3-8(c)-(e) (requiring defendants provide invalidity and non-infringement contentions before plaintiff serves infringement contentions). Any subsequent amendments to Defendants’ invalidity contentions were limited to responding to Allergan’s amended infringement contentions, the Claim Construction Order and/or addition of the ’191 patent. *See* P.R. 3-6(a)(2); *see also Pozen*, 2010 WL 11431483, at \*3-4 (stating defendants may not *carte blanche* amend invalidity contentions because plaintiff amended infringement contentions pursuant to the Claim Construction Order).

<sup>3</sup> It is Allergan who wasted Defendants’—and the Court’s—time and resources in this case. After Allergan originally asserted 157 claims in six patents, the Court “urged Allergan to reduce

Defendants' rebuttal of Allergan's alleged secondary considerations of nonobviousness. Again, this is not a situation where Allergan is hard-pressed for time to address some newly-disclosed obviousness combinations. *E.g.*, *LML Patent Corp.*, 2011 WL 5158285, at \*7; *Tyco*, 2009 WL 5842062, at \*3. Defendants' asserted grounds of invalidity based on §§ 102 and 103 prior art have been properly and timely asserted in this case pursuant to the Local Rules. None of the Disputed References are being relied upon as additional asserted grounds. Therefore, there is no legally cognizable prejudice to Allergan from Dr. Calman's reference to the Disputed References.

### **III. CONCLUSION**

Accordingly, Allergan's motion to strike portions of Dr. Calman's expert report and request to restrict his testimony should be denied.

---

the number of asserted claims.” Doc. No. 265 at 1. Only then did Allergan reduce the number of asserted claims to 126. *Id.* Only after compelling Defendants to engage in motion practice to further reduce the number of asserted claims—claims that are largely duplicative—has Allergan reduced the number of claims to a manageable number for trial. *See id.*

Dated: June 27, 2017

/s/ J.C. Rozendaal

J.C. Rozendaal (*pro hac vice*)  
Michael E. Joffre (*pro hac vice*)  
Pauline M. Pelletier (*pro hac vice*)  
R. Wilson Powers III (*pro hac vice*)  
STERNE, KESSLER, GOLDSTEIN & FOX  
P.L.L.C.  
1100 New York Ave. NW, Suite 600  
Washington, DC 20005  
Tel: 202-371-2600  
Fax: 202-371-2540  
jcrozendaal@skgf.com  
mjoffre@skgf.com  
ppelletier@skgf.com  
tpowers@skgf.com

Louis B. ("Brady") Paddock  
Texas Bar No. 00791394  
NIX, PATTERSON & ROACH L.L.P.  
2900 St. Michael Drive, Ste. 500  
Texarkana, TX 75503  
(903) 223-3999  
(903) 223-8520 (fax)  
bpaddock@nixlawfirm.com

**COUNSEL FOR DEFENDANT  
TEVA PHARMACEUTICALS USA, INC.**

Respectfully submitted,

/s/ Anna G. Phillips

Douglas H. Carsten  
Wendy Devine  
Christina E. Dashe  
Alina L. Litoshyk  
Nellie J. Amjadi  
WILSON SONSINI GOODRICH & ROSATI  
12235 El Camino Real, Suite 200  
San Diego, CA 92130-3002  
Tel: 858-350-2300  
Fax: 858-350-2399  
dcarsten@wsgr.com  
wdevine@wsgr.com  
cdashe@wsgr.com  
alitoshyk@wsgr.com  
namjadi@wsgr.com

Anna G. Phillips  
Texas Bar No. 24090329  
WILSON SONSINI GOODRICH & ROSATI  
900 South Capital of Texas Highway  
Las Cimas IV, Fifth Floor  
Austin, TX 78746-5546  
Tel: 512-338-5400  
Fax: 512-338-5499  
anphillips@wsgr.com

Melissa Smith  
Allen Franklin Gardner  
GILLAM & SMITH LLP  
303 S. Washington Ave.  
Marshall, Texas 75670  
Tel: 903-934-8450  
Fax: 903-934-9257  
melissa@gillamsmithlaw.com  
allen@gillamsmithlaw.com

**COUNSEL FOR DEFENDANTS MYLAN  
PHARMACEUTICALS INC. AND  
MYLAN INC.**

/s/ Azadeh Kokabi

Michael R. Dzwonczyk  
Azadeh Kokabi  
Mark Boland  
SUGHRUE MION PLLC  
2100 Pennsylvania Ave NW, Suite 800  
Washington, DC 20037  
Tel: 202-293-7060  
Fax: 202-293-7860  
mdzwonczyk@sughrue.com  
akokabi@sughrue.com  
mboland@sughrue.com

Earl Glenn Thames, Jr.  
POTTER MINTON  
110 N College Avenue, Suite 500  
Tyler, TX 75702  
Tel: 903-597-8311  
Fax: 903-593-0846  
glennthames@potterminton.com

**COUNSEL FOR DEFENDANT  
AKORN, INC.**

/s/ Stephen R. Smerek

Stephen R. Smerek (*pro hac vice*)  
Shilpa Coorg (*pro hac vice*)  
Jason Craig Hamilton (*pro hac vice*)  
WINSTON & STRAWN LLP  
333 South Grand Avenue, 38th Floor  
Los Angeles, CA 90071-1543  
Tel: 213-615-1933  
Fax: 213-615-1750  
ssmerek@winston.com  
scoorg@winston.com  
jhamilton@winston.com

Charles B. Klein (*pro hac vice*)  
WINSTON & STRAWN LLP  
1700 K Street, NW  
Washington, DC 20006  
Tel: 202-282-5977  
Fax: 202-282-5100  
cklein@winston.com

Deron R. Dacus  
Peter Aaron Kerr  
THE DACUS FIRM, PC  
821 ESE Loop 323, Suite 430  
Tyler, TX 75701  
Tel: 903-705-1117  
Fax: 903-581-2543  
ddacus@dacusfirm.com  
pkerr@dacusfirm.com

**COUNSEL FOR DEFENDANT  
INNOPHARMA, INC.**



/s/ Peter Curtin

William A. Rakoczy

Peter Curtin

Paul J. Molino

John D. Polivick

Kevin P. Burke

RAKOCZY MOLINO MAZZOCHI SIWIK LLP

6 West Hubbard Street, Suite 500

Chicago, Illinois 60654

Tel: (312) 222-6301

Fax: (312) 222-6321

wrakoczy@rmmslegal.com

pcurtin@rmmslegal.com

paul@rmmslegal.com

jpolivick@rmmslegal.com

kburke@rmmslegal.com

Eric H. Findlay

Texas Bar No. 00789886

Walter Wayne Lackey, Jr.

Texas Bar No. 24050901

FINDLAY CRAFT, P.C.

102 North College Avenue, Suite 900

Tyler, TX 75702

Tel: (903) 534-1100

Fax: (903) 534-1137

**COUNSEL FOR DEFENDANT  
FAMY CARE LIMITED**

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the above and foregoing document has been served on June 27, 2017 to all counsel of record who are deemed to have consented to electronic service via the Court's CM/ECF system per Local Rule CV-5(a)(3).

/s/ Melissa R. Smith  
Melissa Smith

**CERTIFICATE OF SEALING**

The undersigned hereby certifies that the foregoing document is authorized to be filed under seal pursuant to the Protective Order entered in this case.

/s/ Melissa R. Smith  
Melissa Smith